

The article goes on to point out that:

In August, when Walter Rowen, who owns Susquehanna Glass [Company] in Columbia, Pa., sought to renew his company's coverage for two dozen employees, he said his insurer demanded a 160 percent rate increase.

I called Mr. Rowen today and found out that he has had a family business since 1910, and they have had health insurance for about 20 years, and they cover 50 percent of the premiums for their employees. As prices have risen, they have sought deductibles to lower the rate, and then they paid the deductibles for their employees. It is cheaper to have deductibles, have the company pay them, than to pay the increase in costs. That is another factor which we ought to analyze. That ought not to be so.

His policy expired in October—this month—and he corroborated the New York Times story that he was told there would be 160 percent more. He has found other insurance, but he is paying \$22,000 annually. He hires invariably in the 28 to 32 category for small business, and between 20 and 24 of them are covered. Now he has been forced to go to the point where the employees are going to have to pay the deductible. If they do not have an illness, then there is no problem. If they do, then the deductible is obviously very, very expensive.

I join my colleague, the senior Senator from Iowa, in congratulating the—now he is the junior Senator from Iowa, pardon me, but close—he has been here since the election of 1984, a long time. I join Senator HARKIN in congratulating the majority leader for moving ahead with a public option in the legislation which he has melded together. I again thank Senator HARKIN for his initiative and willingness to move ahead and have a hearing.

Madam President, I have an excellent floor statement which I will not take the time to read, prepared by my expert in the field, John Myers, which I ask unanimous consent that the full text of the statement be printed in the CONGRESSIONAL RECORD, and I ask that the full explanation which I am giving now be included. Sometimes the written statement just follows the oral extemporaneous statement and people reading the CONGRESSIONAL RECORD wonder why the Senator has repeated himself. Well, let it be understood what I have said is an extemporaneous statement, and this is the text prepared by my able staff assistant, and would ask that these comments be the preface to be included in the RECORD in full.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Mr. SPECTER. Mr. President, yesterday the New York Times ran a front page article describing the difficulties faced by small businesses in the face of rising health costs [Small Business Faces Sharp Rise in Costs of Health Care; October 25, 2009]. Small business is the backbone of our economy and in today's economy we must ensure that

small business has every opportunity to succeed.

The article highlights the plight of Walter Rowen, a constituent of mine. Mr. Rowen is the owner of Susquehanna Glass in Columbia, Pennsylvania. In August, when he sought to renew his company's coverage for his two dozen employees, his insurer demanded a 160 percent rate increase. He was told his work force was "getting too old and very expensive". He also found that any other health plan was likely to charge 30 to 50 percent more than he paid last year. Left with few options, Walter chose a less generous plan from a different carrier for 44 percent more.

Unfortunately, Mr. Rowen's story is not unique. Steep rises in insurance premiums are affecting small businesses across the nation. Small businesses are seeing renewal prices 15–23 percent higher compared to last year, according to Edward Kaplan, a benefits consultant with the Segal Company. As increases from 2008 to 2009 were considerably lower at 7–12 percent, it is hard to believe that a doubling of the rate of renewal costs in 1 year could be linked to medical costs alone. In the article Joshua Miley, a consultant who analyzes benefit information for employers, states that the undercurrent of health reform is driving part of the renewal increases. The idea that health insurance companies would increase rates to beneficiaries based on pending health care reform is disturbing. Michael A. Turpin, a former senior executive for United Health, and now a top official at USI holdings, an insurance brokerage firm, echoes Mr. Wiley's hypothesis: insurance companies are "under so much pressure to post earnings, they're going to make hay while the sun is shining."

Clearly the primary concern of health insurers is not whether their customers receive the best possible health care for their money; it is how much money can be generated for the insurers' investors. This objectionable action illustrates why there is a need for a public option as part of health care reform. Currently, there is a lack of competition in the health insurance market. Instead of individuals or businesses having the freedom to shop for coverage that works for them, they have to take what insurance companies offer. This translates to higher prices, preexisting condition exclusions and denials when insurance is most needed. A public option can help by introducing competition across the country. This plan could constrain costs and make the insurers think twice about passing down double-digit rate increases to customers.

The American people deserve a choice in health insurance to keep the private insurers honest. Without competition from a public plan, health insurance costs have skyrocketed. As health reform moves forward, I encourage Majority Leader REID to include a public option to bring affordability and competition back to the market.

A recent survey conducted by Intuit Inc. revealed that 44 percent of small business owners intended to hire new employees in the next year, an encouraging indicator in our economic recovery. This survey also noted that nearly 90 percent of those small business owners surveyed said that health insurance benefits are integral to attracting good workers. However, 58 percent of those small employers do not offer health insurance, with nearly 50 percent stating that they can't afford it. This is a sobering statistic and one we should do everything in our power to address.

I commend the efforts of Chairmen HARKIN and BAUCUS to combat this issue. Proposed health reform legislation will include a tax credit for small businesses that provide health insurance to their employees. The HELP Committee bill provides a tax credit for small businesses of up to \$2,000 for a family or \$1,000 for an individual. The legislation will allow small businesses to join health insurance exchanges so that they can group together and gain the same market power as larger companies currently enjoy. Currently, perhaps most importantly, small businesses pay up to 18 percent more than large employers. These exchanges will help relieve the problem of small risk pools, which due to their size can see their costs grow significantly if one employee suffers an illness such as cancer. By increasing the size of these risk pools, costs will become more predictable and more affordable for small businesses. Proposed legislation will also tighten insurance ratings to prevent costs from being disproportionately placed on older workers. This is of particular importance for small businesses that might employ older individuals, an important part of our Nation's workforce.

There is an undeniable need to address the health care problems we suffer from today. The inequities of the current system must be fixed, especially for the 70 million people that are employed by or operate a small business. The decisions of health insurers to drastically increase health insurance prices before health reform is enacted demonstrates the need to promptly move forward with legislation that includes a public option.

Mr. SPECTER. Madam President, I thank the Chair.

#### TRIBUTE TO ROZITA VILLANUEVA LEE

Mr. REID. Madam President, I rise today to honor Rozita Villanueva Lee for her many years of advocacy on behalf of the Nevada Asian American/Pacific Islander community. Asians and Pacific Islanders refer to her as the mother of their communities in southern Nevada. Lee started as a former special assistant to former Governors George Arioshi of Hawaii and Robert Miller of Nevada. She then began advocating for Nevada's Asian and Pacific Islanders. Her Hawaii Polynesian connection led to her being the producer of

"Drums of the Island," the longest running Polynesian show on the Las Vegas strip.

As cofounder of the Asian Pacific's Forum in 1993 in response to the growing Asian Pacific Islander population and their need for a voice and representation, she championed many causes to address the challenges faced by her community including social justice advocacy and political representation. She was often the first person called regarding issues of the APIA community in Las Vegas. Lee helped facilitate the reorganization of a dormant Pacific Asian Chamber to what is now the Las Vegas Asian Chamber of Commerce serving as its founding chairperson. She also served as chairperson for the Philippine American Youth Organization, PAYO, helping the younger generation of Filipino ancestry establish a voice and an avenue to learn more about their culture and heritage. She fulfilled all these roles while serving as the conduit for many organizations including the Hawaiian Civic Club, Japanese American Citizens League, Organization of Chinese Americans and National Federation of Filipino American Association. In addition, she empowered cultural organization and their leaders within the Korean, Thai, Vietnamese, Indian, Pakistani and other APIA ethnic communities.

Rozita has been politically active also. She was the president of the Women's Democratic Club of Clark County and was leading her fellow Democrats to help bring about change. As a result, President Obama turned Nevada blue by winning Clark County with 380,765 votes. Mrs. Lee championed the Asian American Studies Bill in the Nevada State Legislature which was instituted by the Clark County Commission and became law. She has been actively serving as the chairperson for the Asian Pacific American Labor Alliance—APALA—in southern Nevada and has been the prime mover of political activism with the APIA for more than a decade. She initiated the first outreach to establish an APIA voting block through education and voter registration and was the liaison between the Philippine Ambassador and the Senate on behalf of the Filipino World War II Veterans. It is clear that Rozita is a dedicated community activist.

Rozita Villanueva Lee was named on the most influential women in Las Vegas by the Women of Diversity, and one of 100 most influential Filipina women in the U.S. by Filipina Women's Network. The OCA Asian Pacific American organization awarded Rozita the Lifetime Achievement Award in 2007. I congratulate Rozita Lee on her success as a businesswoman, a Democratic activist, and as an advocate for Asian and Pacific Islanders.

#### CONSUMER CREDIT

Mr. UDALL of Colorado. Madam President, I rise today to discuss an

issue of importance to all American consumers who rely on credit cards, especially during our economic downturn. More specifically, I would like to address two pieces of critically important legislation that would help consumers.

First, last week I introduced legislation to move up the effective date of credit card reforms outlined in the Credit CARD Act, which was signed into law by President Obama in May. The act gave credit card issuers nine months from the date of enactment to phase out their most egregious practices, including arbitrarily raising interest rates, raising interest rates on existing balances, and charging interest on debt paid on time—the latter a particularly underhanded tactic known as double-cycle billing.

Rather than phasing out these practices before the new requirements take effect, credit card issuers have increased them, squeezing as much as they can out of American consumers prior to the date the reforms are scheduled to go into effect. A Pew Charitable Trusts study to be released later this week will reveal that through the first 6 months of this year, the 12 largest credit card issuers raised interest rates an average of 20 percent, with many cardholders seeing rate increases in excess of 20 percent. This is happening despite the fact that these credit card companies, many of which received taxpayer bailout funds, are reaping the benefit—some might say government subsidy—of Federal interest rates at or near zero percent.

The bill I introduced last week, the Expedited CARD Reform for Consumers Act of 2009, will move the effective date of enactment for all reforms required under the Credit CARD Act to December 1, 2009. The majority of reforms are currently due to go into effect on February 22, 2010, with a few other reforms due to go into effect on August 22, 2010.

We all know how important short-term credit is to families and small businesses, especially during hard economic times. And we have all heard stories of people who have been victimized by the kind of unfair practices that the Credit CARD Act will end. But the truth is I have heard more stories from my constituents about these unfair and deceptive practices since the President signed the Credit CARD Act into law, than I did in the months leading up to the bill's passage. And that's saying something.

Through no fault of their own, many Coloradans have been victimized by their credit card issuer. For example, a constituent named Jean from Commerce City wrote to me:

Recently, CitiBank raised my [credit card] APR to 29.99 percent. I called and found out that they did not raise my rate because I'm late, or have a bad FICO score, but because they sent me a letter with the option to opt OUT of a higher interest rate. I've had this card for over 15 years and never been late. I don't understand how taxpayers gave banks taxpayer money, banks report record profits, and banks still feel they can [take unfair ad-

vantage of] the common Joe. Basically our credit card companies took away our available credit and then raised our credit card rates even though we made payments on time. Please help the citizens of this country instead of helping the few executives at these banks. We really need your help, and in the long run this will help our country.

Likewise, northern Colorado small business owner Ginny Teel, whose company 10 til 2 helps pair businesses with professionals looking for part-time work, recently took to the airwaves to tell a similar story. In a Denver television news story, Ginny reported how her credit card company is doubling her interest rate, from 11 percent to 22 percent, for no reason. Like many small businesses, Ginny relied on her credit card to get her business up and running. In the letter to inform her of the rate increase, Wells Fargo states: "These changes are not a reflection of how you managed your account with us or your credit score." In other words, her credit card issuer is saying it is doubling her interest rate because it still can.

I have heard from hundreds of Coloradans with similar stories since the Credit CARD Act was passed.

For many American families and small businesses, credit cards are more than a convenience, they are a necessity. Short-term credit is sometimes the only way that families can pay for necessities or that small businesses can function. And a well-functioning credit card industry that treats its customers with fairness is absolutely essential to rebuilding our economy.

I first introduced legislation to end unfair and abusive credit card practices in 2005 as a Member of the House of Representatives, and I was honored to be a part of finally passing real reform earlier this year. But I am equally disappointed that credit card issuers would now bleed American consumers for as much as they can prior to the reforms taking effect.

My legislation is supported by consumer advocate organizations, including the member organizations of Americans for Fairness in Lending, as well as the National Small Business Association, whose members, like Ginny Teel, increasingly rely on credit cards for their small business needs.

During debate on the Credit CARD Act earlier this year, credit card companies told Congress they needed more time to implement the bill's reforms, and Congress accommodated them. Rather than phase out these practices, however, credit card companies have used this extra time to declare open season on their customers. If credit card companies can increase abuse on a moment's notice, then surely they can end consumer abuse in short order.

Credit card issuers have shown they cannot be trusted to act in the interest of the American consumer. It is time to force credit card companies to finally deal honestly with American taxpayers and comply with the reforms passed earlier this year.

I thank Senators SCHUMER, HARKIN, LEVIN, BINGAMAN, TESTER, and